## STATE RISK MANAGEMENT WORKERS COMPENSATION FUND INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2006

					December-05				September-05				Current	Prior Year	3 Years	5 Years
	January-06			FYTD									FY05	Ended	Ended	
		Alloca		<u>Month</u>		Alloca		Quarter		Alloc		Quarter				6/30/2005
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																
Structured Growth	156 770	4.1%	4.2%	4.01%	127.966	3.4%	4.2%	3.06%	126.685	4.3%	4.2%	E 460/	13.04%	7.56%	N/A	N/A
Los Angeles Capital  Total Structured Growth	156,772 <b>156,772</b>	4.1%	4.2%	4.01% <b>4.01%</b>	127,966 <b>127.966</b>	3.4% 3.4%	4.2%	3.06%	126,685	4.3% <b>4.3%</b>	4.2% <b>4.2%</b>	5.46% <b>5.46%</b>	13.04%	7.56%	N/A N/A	N/A
Russell 1000 Growth	130,772	4.1/0	4.2 /0	1.76%	121,900	3.4 /0	4.2 /0	2.98%	120,003	4.3 /0	4.2 /0	4.01%	8.99%	1.68%	N/A N/A	N/A
				1.7070				2.3070				4.0170	0.3370	1.0070	14/7	14//
Structured Value LSV	160.859	4.2%	4.2%	4.63%	123.957	3.3%	4.2%	1.52%	127.560	4.3%	4.2%	5.06%	11.59%	18.35%	N/A	N/A
Russell 1000 Value	100,039	4.2 /0	4.2 /0	3.88%	123,931	3.3 /0	4.2 /0	1.27%	127,300	4.3 /0	4.2 /0	3.88%	9.28%	14.06%	N/A N/A	N/A
				3.0070				1.21 /0				3.0070	3.2070	14.0070	14/7	14/7
Russell 1000 Enhanced Index	245 245	0.20/	0.20/	4 220/	254 202	C 00/	0.20/	2 200/	252 024	0.00/	0.20/	C 4E0/	42.000/	7.000/	NI/A	N1/4
LA Capital Russell 1000	315,215	8.3%	8.3%	<b>4.33%</b> 2.80%	254,202	6.8%	8.3%	<b>2.29%</b> 2.12%	253,021	8.6%	8.3%	<b>6.45%</b> 3.95%	<b>13.60</b> % 9.13%	<b>7.93%</b> 7.92%	N/A N/A	N/A
				2.00%				2.12%				3.95%	9.13%	7.92%	IV/A	IV/A
S&P 500 Enhanced Index	222 222	0.00/	0.00/	0.000/	004.440	<b>=</b> 40/	0.00/	0.400/	044.000	0.00/	0.00/	0.040/	0.050/	0.500/	N1/A	
Westridge S&P 500	336,683	8.9%	8.3%	<b>2.68%</b> 2.65%	264,419	7.1%	8.3%	<b>2.10%</b> 2.09%	244,980	8.3%	8.3%	<b>3.64%</b> 3.60%	<b>8.65</b> % 8.57%	6.58% 6.32%	N/A N/A	N/A
				2.00%				2.09%				3.00%	0.37%	0.32%	IV/A	IV/A
Index																
State Street	103,272	0.70/	0.00/	2.64%	81,140	0.00/	0.00/	2.07%	81,159	0.00/	0.00/	3.58%	8.51%	6.27%	N/A	N/A
Total Index	103,272	2.7%	2.8%	2.64%	81,140	2.2%	2.8%	2.07%	81,159	2.8%	2.8%	3.58%	8.51%	6.27%	N/A	N/A
S&P 500				2.65%				2.09%				3.60%	8.57%	6.32%	N/A	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	1,072,800	28.2%	27.8%	3.65%	851,683	22.8%	27.8%	2.20%	833,406	28.2%	27.8%	4.97%	11.19%	8.89%	N/A	N/A
S&P 500				2.65%				2.09%				3.60%	8.57%	6.32%	N/A	N/A
SMALL CAP DOMESTIC EQUITY																
Manager-of-Managers	070 170	0.00/	0.00/	0.000/	070 550	= =0/	0.00/	0.050/	070 740	0.407	0.00/	= 400/	40.000/	0.000/		
SEI	373,178	9.8%	9.3%	9.03%	279,552	7.5%	9.3%	0.95%	276,546	9.4%	9.3%	5.46%	16.09%	9.32%	N/A	N/A
Russell 2000 + 200bp				9.13%				1.64%				5.21%	16.70%	11.64%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	373,178	9.8%	9.3%	9.03%	279,552	7.5%	9.3%	0.95%	276,546	9.4%	9.3%	5.46%	16.09%	9.32%	N/A	N/A
Russell 2000				8.97%				1.13%				4.69%	15.37%	9.45%	N/A	N/A
DOMESTIC FIXED INCOME																
Core Bond																
Western Asset	777,609	20.5%	20.0%	0.44%	655.923	17.6%	20.0%	0.28%	601.395	20.4%	20.0%	-0.41%	0.31%	7.14%	N/A	N/A
Lehman Aggregate	111,000	20.070	20.070	0.01%	000,020	111070	20.070	0.59%	001,000	201170	20.070	-0.67%	-0.08%	6.80%	N/A	N/A
** *				0.0.70				0.0070				0.0.70	0.0070	0.0070		
Index Bank of ND	692,243	18.2%	20.0%	-0.24%	590.143	15.8%	20.0%	0.44%	556.047	18.8%	20.0%	-0.84%	-0.64%	4.08%	N/A	N/A
Lehman Gov/Credit (1)	092,243	10.2 /0	20.0 /0	-0.24% -0.18%	330,143	13.0 /0	20.0 /0	0.60%	330,047	10.0 /	20.0 /0	-0.96%	-0.55%	4.80%	5.82%	7.35%
• •				0.1070				0.0070				0.5070	0.0070	4.0070	0.0270	7.0070
BBB Average Quality	772.692	20.3%	20.0%	-0.02%	654.558	17.5%	20.0%	0.58%	594.567	20.2%	20.0%	-1.05%	-0.49%	9.14%	N/A	N/A
Wells Capital (formerly Strong) Lehman US Credit BAA	112,692	20.3%	20.0%	-0.02% -0.13%	634,338	17.5%	20.0%	0.39%	394,367	20.2%	20.0%	-0.97%	-0.49% -0.72%	9.14% 8.60%	N/A N/A	N/A
Lenman 03 Credit BAA				-0.13%				0.39%				-0.97 %	-0.72%	0.00%	IVA	IV/A
TOTAL DOMESTIC FIXED INCOME	2.242.544	59.0%	60.0%	0.07%	1,900,625	50.9%	60.0%	0.42%	1.752.009	59.4%	60.0%	-0.76%	-0.28%	6.14%	N/A	N/A
Lehman Gov/Credit	_,_ ,_,	22.070	33.070	-0.18%	.,500,020	22.070	22.070	0.60%	.,. 02,000		2010/0	-0.96%	-0.55%	7.26%	N/A	N/A
				/-											,,,,	-
CASH EQUIVALENTS																
Bank of ND	113,519	3.0%	3.0%	0.39%	700,490	18.8%	3.0%	1.07%	88,464	3.0%	3.0%	0.93%	2.41%	2.46%	N/A	N/A
90 Day T-Bill				0.32%				0.92%				0.83%	2.08%	2.15%	N/A	N/A
								_								
TOTAL RISK MANAGEMENT FUND	3,802,041	100.0%	100.0%	1.62%	3,732,350	100.0%	100.0%	0.89%	2,950,425	100.0%	100.0%	1.47%	4.03%	5.76%	N/A	N/A
POLICY TARGET BENCHMARK				1.46%				1.09%				0.90%	3.50%	6.01%	N/A	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.

<sup>(1)</sup> From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.